

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Water Rights

KENT L. JONES
State Engineer/Division Director

December 10, 2018

Water Horse Resources, LLC ATTN: Aaron P. Million, Managing Member 1436 West Oak Street Ft. Collins, Colorado 80521

Stoel Rives, LLP ATTN: Richard R. Hall, Agent 201 S Main Street, Suite 1100 Salt Lake City, UT 84111

RE: Request for Additional Information on Application to Appropriate

Water Number 41-3747 (A81080)

Dear Applicant:

At the conclusion of the water right hearing held on November 7, 2018, you were informed that additional information would be needed for the State Engineer to determine fully how this application meets the statutory criteria for an export application.

Please address the following:

- 1. Provide documentation that the State of Colorado has agreed with the applicant's assertion that depletion to the Colorado River System based upon this application will be counted as part of the State of Colorado's apportionment of the Upper Colorado River. Alternately, explain why it would be in the best interest of the State of Utah to approve this application to appropriate water before Colorado officials have first authorized or recognized their intent to include this use of water under their compact allocation.
- 2. Provide information you believe would give the State Engineer reason to believe water is available for appropriation both physically and consistent with the Colorado River Compacts at the proposed point of diversion considering flows for:
 - a. The recovery program for the endangered fish in the Upper Colorado River Basin;
 - b. Downstream existing perfected Utah water rights;
 - c. Downstream Utah approved applications to appropriate; and
 - d. Potential federal reserved water rights for Indian Tribes (including the Congressionally authorized settlement with the Ute Tribe), and



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National Parks, Monuments and Recreation areas downstream of the proposed point of diversion.

This information is being requested since the state engineer has already established by policies adopted for this area a belief that the amount of water proposed under the application is not available for beneficial use as your application proposes.

- 3. Given that Utah Code Section 73-3a-108(2)(e) states the State Engineer shall consider alternate supply and sources of water available to the applicant in the state the applicant intends to use the water, explain why Utah should consider this application given that the Green River runs through Colorado.
- 4. Provide a detailed engineering cost-estimate to convey the water from the point of diversion to its planned place of use that demonstrates the project as proposed is physically and economically feasible.
- 5. Provide evidence that you have the financial ability to complete the project per Utah Code 73-3-11. Specifically, we are requiring you submit Articles of Incorporation, names of directors and officers, and the amount of authorized and paid-up capital. You are also invited to provide other financial information regarding your venture which would give a reason to believe you have the financial ability to complete the proposed works.
- 6. Provide evidence Water Horse Resources, LLC is authorized to conduct business within the State of Utah or alternately that the state engineer will not violate state statutes when taking action on this application considering your corporate status in Utah.

At the hearing it was indicated the applicant would be given 60-days from the date of this letter to provide this requested information. It was also stated that the other parties to this application would then be allowed 30-days to respond to the additional information submitted by the applicant.

Sincerely,

Utah State Engineer

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Department of the Interior Bureau of Land Management National Park Service U.S. Fish and Wildlife Service c/o James E. Karkut 125 South State Street, Suite 6201 Salt Lake City, UT 84138

Bureau of Reclamation 302 East 1860 South Provo, Utah 84606

Center for Biological Diversity c/o Lisa Belenky, Senior Attorney 1212 Broadway, Suite 800 Oakland, CA 94612

Central Utah Water Conservancy District c/o Steven E. Clyde, Attorney 201 South Main Street, 13th Floor Salt Lake City UT 84111

Department of the Interior CUPCA Office c/o Lee Baxter 302 East 1860 South Provo, Utah 84606

Division of Water Resources c/o Eric Millis 1594 West North Temple Suite 310 Salt Lake City, UT 84114

Duchesne County Water Conservancy
District
c/o Hansen Allen and Luce
859 West South Jordan Parkway, Suite 200
South Jordan, UT 84095

Emery Water Conservancy District c/o Shawn L. Draney, Attorney and Scott H. Martin, Attorney 10 Exchange Place 11th Floor Salt Lake City UT 84111 Green River Companies PO Box 404 Green River UT 84525

Kane County Water Conservancy District c/o Mabey Wright and James 175 Main Street, Suite 1330 Salt Lake City, UT 84111

Living Rivers and Colorado Riverkeeper c/o John Weisheit PO Box 466 Moab, UT 84532

PacifiCorp c/o Buffi Morris 1407 W. North Temple, #110 Salt Lake City, UT 84116

Pipeliners Local Union 798 PO Box 470798 Tulsa, OK 74147-0798

Provo River Water Users Association c/o Shawn L. Draney, Attorney and Scott H. Martin Attorney 10 Exchange Place 11th Floor Salt Lake City UT 84111

San Juan Water Conservancy District PO Box 246 Blanding, UT 84511

Tim Vetere PO Box 404 Green River UT 84525

Uintah Water Conservancy District c/o Shawn L. Draney, Attorney 10 Exchange Place 11th Floor Salt Lake City UT 84111 Page 4

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Uintah Water Conservancy District c/o N. Gawain Snow 78 West 3325 North Vernal UT 84078

Upper Yampa Water Conservancy District c/o Grahm J. Gilbert Attorney 15 West South Temple, Suite 1200 Salt Lake City, UT 84101

Utah Board of Water Resources c/o Charles Holmgren PO Box 146201 Salt Lake City Utah 84114-6201

Washington County Water Conservancy District c/o Wendy Bowden Crowther Attorney 201 South Main Street #1800 Salt Lake City, UT 84111

Wayne County Water Conservancy District c/o John H. Mabey Jr., Attorney 175 South Main Street, Suite 1330 Salt Lake City, UT 84111

Western Resource Advocates c/o Ariel Calmes, Esq. 150 S 600 E Ste. 2A Salt Lake City, UT 84102 Colorado River District Colorado River c/o John Currier, Chief Engineer P.O. Box 1120 Glenwood Springs, CO 81602

Gary Wockner c/o Save The Colorado PO Box 1066 Fort Collins, CO 80522

Nathan Fey c/o American Whitewater 1601 Longs Peak Ave Longmont, CO 80501

Paul Burnett c/o Trout Unlimited 5279 South 150 East Ogden, UT 84405

Terry Carwile 37451 North Hwy 13 Craig, CO 81625

Utah Rivers Council and Other Groups c/o Nick Schou 1055 E. 2100 S. Ste. 201 Salt Lake City, Utah 84106